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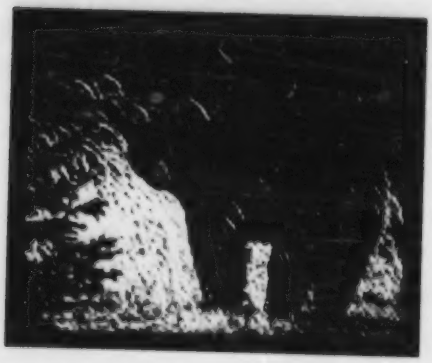
Northwest Territories Liquor Commission



46th Annual Report

Northwest Territories Liquor Commission

46th Annual Report

Northwest Territories Canada

THE HONOURABLE JOSEPH L. HANDLEY
MINISTER OF FINANCE

NWT Liquor Commission Annual Report

Pursuant to Sections 9(1) and 61 of the *Liquor Act*, we are pleased to submit the forty-sixth Annual Report for the fiscal year ended March 31, 2000.

We wish to express our thanks to all our staff and the members of the Liquor Licensing Board for all their support and contribution to the progress of the NWT Liquor Commission and the NWT Liquor Licensing Board during the past year.

Margaret Melhorn
Deputy Minister
Finance

KJ Courtoreille
General Manager
NWT Liquor Commission

Eric Malmsten
Chairperson
NWT Liquor Licensing Board

MEMBERS OF THE LEGISLATIVE ASSEMBLY

NWT Liquor Commission Annual Report

I am pleased to present herewith, for the information of the Members of the Legislative Assembly, the forty-sixth Annual Report of the Northwest Territories Liquor Commission and Liquor Licensing Board for the fiscal year ended March 31, 2000.

Joseph L. Handley
Minister Responsible for the
NWT Liquor Commission

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NORTHWEST TERRITORIES LIQUOR LICENSING BOARD

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EXECUTIVE ORGANIZATION

As at March 31, 2000

Minister Responsible

Minister	- The Honourable Joseph L. Handley
Deputy Minister	- Margaret Melhorn

Northwest Territories Liquor Commission

General Manager	- Ron Courtoreille
Manager, Finance and Administration	- Annette Brockway
Stocks Manager	- Larry Kathan

Northwest Territories Liquor Licensing Board

Chairperson	- Eric Malmsten
Manager, Licensing and Enforcement	- Delilah St. Arneault

Audited Financial Statements

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The Northwest Territories Liquor Commission ("the Commission") maintains internal financial and management systems and practices which are designed to provide reasonable assurance that reliable financial and non-financial information is available on a timely basis and that the Commission acts in accordance with the laws of the Northwest Territories and Canada. The Commission's management recognizes its responsibility for conducting the Commission's affairs in accordance with the requirements of applicable laws and sound business principles, and for maintaining standards of conduct that are appropriate to a Territorial agency.

The accompanying financial statements were prepared by management in conformity with Canadian generally accepted accounting principles appropriate in the circumstances.

The Auditor General of Canada annually provides an independent, objective audit for the purpose of expressing an opinion on the financial statements. He also considers whether the transactions which come to his notice in the course of this audit are, in all significant respects, in accordance with the specified legislation.

R.J. Courtoreille
General Manager

A. Brockway
Manager, Finance and Administration

June 8, 2000

AUDITOR GENERAL OF CANADA

VÉRIFICATEUR GÉNÉRAL DU CANADA

AUDITOR'S REPORT

To the Minister of Finance

I have audited the balance sheet of the Northwest Territories Liquor Commission as at March 31, 2000 and the statements of income, amount due to the Government of the Northwest Territories and cash flows for the year then ended. These financial statements are the responsibility of the Commission's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Commission as at March 31, 2000 and the results of its operations and its cash flows for the year then ended in accordance with generally accepted accounting principles. As required by the *Financial Administration Act*, I report that, in my opinion, these principles have been applied on a basis consistent with that of the preceding year.

Further, in my opinion, proper books of account have been kept by the Commission and the financial statements are in agreement therewith and the transactions of the Commission that have come to my notice during my audit of the financial statements have, in all significant respects, been in accordance with Part IX of the *Financial Administration Act* and regulations, and the *Northwest Territories Liquor Act* and regulations.

Sheila Fraser

Sheila Fraser, FCA
Deputy Auditor General
for the Auditor General of Canada

Ottawa, Canada
June 8, 2000

NORTHWEST TERRITORIES LIQUOR COMMISSION

Balance Sheet

March 31, 2000

	2000 ($000's)	1999 ($000's)
Assets		
Current assets:		
Cash	$ 355	$ 1,523
Accounts receivable	3	4
Due from Nunavut Liquor Commission	941	–
Inventories (note 3)	2,963	2,916
Prepaid expenses	14	15
	4,276	4,458
Capital assets (note 4)	214	310
	$ 4,490	$ 4,768
Liabilities		
Current liabilities:		
Accounts payable	$ 1,898	$ 2,205
Accrued employee leave and termination benefits	128	109
Due to the Government of the Northwest Territories	2,464	2,454
Commitment (note 7)		
	$ 4,490	$ 4,768

See accompanying notes to financial statements.

Approved by Management:

R. Courtoreille
General Manager

A. Brockway
Manager, Finance and Administration

NORTHWEST TERRITORIES LIQUOR COMMISSION

Statement of Income

Year ended March 31, 2000

	2000 ($000's)	1999 ($000's)
Sales:		
Beer	$ 14,072	$ 15,509
Spirits	11,852	12,709
Wine	2,700	2,607
Coolers and ciders	989	792
	29,613	31,617
Cost of goods sold:		
Beer	5,690	6,397
Spirits	3,507	4,003
Wine	1,168	1,232
Coolers and ciders	260	128
	10,625	11,760
Gross profit on sales	18,988	19,857
Other income:		
License fees and permits	491	604
Import fees and other income	246	116
	737	720
	19,725	20,577
Expenses:		
Commissions to agents	2,779	2,758
Salaries, wages and employee benefits	790	839
Amortization of capital assets	117	111
Travel	74	98
Computer services	68	114
Rent	54	152
Communications	50	49
Office supplies	38	57
Inspectors' fees	36	40
Board member honoraria	26	25
Insurance	12	18
Advertising	7	16
Professional fees	7	–
Losses due to breakage, spoilage and theft	6	21
Miscellaneous	1	28
Utilities	–	25
Repairs and maintenance	–	7
Grants in lieu of taxes	–	6
	4,065	4,364
Net income	$ 15,660	$ 16,213

See accompanying notes to financial statements.

NORTHWEST TERRITORIES LIQUOR COMMISSION

Statement of Amount Due to the Government of the Northwest Territories

Year ended March 31, 2000

	2000 ($000's)	1999 ($000's)
Balance, beginning of year	$ 2,454	$ 2,177
Net income	15,660	16,213
Salaries, wages and benefits paid by the Government	859	839
	18,973	19,229
Net transfer of funds to the Government	16,509	16,775
Balance, end of year	$ 2,464	$ 2,454

See accompanying notes to financial statements

NORTHWEST TERRITORIES LIQUOR COMMISSION

Statement of Cash Flows

Year ended March 31, 2000

	2000 ($000's)	1999 ($000's)
Cash flows from operating activities:		
Cash received from customers	$ 29,374	$ 32,424
Cash paid to suppliers and employees	(14,012)	(14,631)
Net cash provided by operating activities	15,362	17,793
Cash flows from financing and investing activities:		
Purchase of capital assets	(27)	(8)
Proceeds from disposal of capital assets	6	–
Cash transferred to the Government of the Northwest Territories	(16,509)	(16,775)
Net cash used in financing and investing activities	(16,530)	(16,783)
Increase (decrease) in cash	(1,168)	1,010
Cash, beginning of year	1,523	513
Cash, end of year	$ 355	$ 1,523

See accompanying notes to financial statements

NORTHWEST TERRITORIES LIQUOR COMMISSION

Notes to Financial Statements

Year ended March 31, 2000

1. Authority and operations:

The Northwest Territories Liquor Commission is established under Part II of the Northwest Territories Liquor Act. It is responsible for the operation of liquor stores and the purchase and distribution of liquor in the Northwest Territories through the Liquor Revolving Fund. The Commission is authorized by the Legislative Assembly to receive interest free working capital advances from time to time not exceeding $6,500,000 to finance its operations.

Net income for the year is to be transferred to the Government of the Northwest Territories in accordance with the Liquor Act.

These financial statements include the operations of the Liquor Licensing Board of the Northwest Territories.

The Commission is non-taxable under the Income Tax Act, Canada.

On April 1, 1999, the Nunavut Act came into force duplicating the NWT Liquor Act in Nunavut. As a result, all eastern territorial operations of the Northwest Territories Liquor Commission (NWTLC) were taken over by the Nunavut Liquor Commission. Representatives of both governments agreed that substantially all of the existing assets and liabilities would remain with the NWTLC effective April 1, 1999. This arrangement was approved as a part of the Governments' own allocation of assets, liabilities and surplus at March 31, 1999.

2. Significant accounting policies:

(a) Inventories:

Inventories are valued at replacement cost which is not materially different than cost. Cost includes invoiced cost, freight, duties and taxes.

(b) Capital assets:

Recycling equipment is stated at cost. Amortization is provided on cost less estimated salvage value on the straight-line basis at an annual rate of 10%.

Leasehold improvements are stated at cost. Amortization is provided on the straight-line basis at an annual rate of 20%.

Furniture and fixtures are stated at cost. Amortization is provided on cost less estimated salvage value on the straight-line basis at an annual rate of 20%.

Computer equipment represents hardware and software and is stated at cost. Amortization is provided on the straight-line basis at an annual rate of 20%.

NORTHWEST TERRITORIES LIQUOR COMMISSION

Notes to Financial Statements

Year ended March 31, 2000

2. Significant accounting policies, continued:

(c) Employee leave and termination benefits:

Under their conditions of employment, employees qualify for annual leave of varying lengths depending on their length of service. Employees also earn retirement and severance remuneration based on the number of years of service. Annual leave is payable within one fiscal year. The payment of the other amounts is dependent on employees leaving the Commission. The liability for these benefits is recorded in the accounts as the benefits accrue to the employees.

(d) Pension contributions:

The Commission and its employees, who are deemed to be employees of the Government of the Northwest Territories, make contributions to the Public Service Superannuation Plan administered by the Government of Canada. Contributions to the Plan are required from both the employees and the Commission. These contributions represent the total pension obligation of the Commission and are recognized in the accounts on a current basis. The Commission is not required under present legislation to make contributions with respect to actuarial deficiencies of the Public Service Superannuation Account.

3. Inventories:

	2000 ($000's)	1999 ($000's)
Spirits	$ 1,408	$ 1,525
Wine	432	458
Beer	999	811
Coolers and ciders	124	122
	$ 2,963	$ 2,916

NORTHWEST TERRITORIES LIQUOR COMMISSION

Notes to Financial Statements

Year ended March 31, 2000

4. Capital assets:

	Cost ($000's)	Accumulated amortization ($000's)	2000 Net book value ($000's)	1999 Net book value ($000's)
Computer equipment	$ 430	$ 249	$ 181	$ 250
Recycling equipment	150	123	27	42
Leasehold improvements	39	37	2	9
Furniture and fixtures	30	26	4	9
	$ 649	$ 435	$ 214	$ 310

5. Related party transactions:

The Commission is related in terms of common ownership to all Government of the Northwest Territories created departments, agencies and corporations. The Commission enters into transactions with these entities in the normal course of business.

The Government of the Northwest Territories provides the Commission with various administrative services, the value of which is not reflected in these financial statements.

6. Service agreement:

The Commission provides various corporate and program delivery services to the Nunavut Liquor Commission and Nunavut Liquor Licensing Board. It received $111,000 in fees for the services rendered.

NORTHWEST TERRITORIES LIQUOR COMMISSION

Notes to Financial Statements

Year ended March 31, 2000

7. Commitment:

The Commission has entered into a lease agreement for premises that commenced on September 1, 1995 for an initial term of five years to August 31, 2000. The Commission has indicated that they intend to exercise their option to renew for one additional term. The minimum annual lease payments are:

	($000's)
2001	$ 50
2002	50
2003	50
2004	50
2005	50
2006	21
	$ 271

Annual lease payments include operating costs which are subject to annual increases based on the consumer price index and adjustments for tax assessments.

Financial Results And General Statistics

Message From the General Manager

- Year in Review -

The fiscal period ending March 31, 2000 represents the first year after the division of the Northwest Territories. With the creation of Nunavut the liquor sales for Iqaluit are now part of Nunavut and are not included in these financial statements. Although the Iqaluit sales are included in the year ended March 31,1999 figures for statement purposes, they are not included in the comparative comments stated below.

During the fiscal year ending March 31, 2000, the Northwest Territories Liquor Commission realized a net income of $15,570,000, an increase of some $756,000 (5.1%) from the previous years net income. The increase in net income is due primarily to a 10% increase in mark-ups effective September 1, 1999.

The volumes of liquor sold increased by 44,000 litres for the period ending March 31, 2000 from the previous year. While litres of spirits decreased by 25,000 litres, these reductions were offset by increases in volumes of the lower priced wines (6,000 litres), beer (35,000 litres) and coolers (28,000 litres).

Mark-ups

On April 1, 1995 a flat rate per litre mark-up system was introduced. The flat rate mark-up establishes and monitors revenue levels on similar types of liquor product sold.

The flat mark-up system, along with the product cost, freight, container deposits, GST, retail, warehousing and administrative costs, yields a price at which residents and licensees are able to purchase liquor in each community. The use of the flat rate mark-up will result in revenues from the sale of liquor products remaining constant while prices may vary from community to community.

The following mark-ups (per litre) were put into effect September 1, 1999:

Spirits	$ 23.49
Wine	6.99
Beer	1.74
Coolers	2.73
Cider	1.78

Import permits

An individual may bring into the Northwest Territories one 1140ml of spirits or wine or twelve – 355ml of beer. To import quantities greater than the allowable amounts, an import permit is required. Fees (per litre) for import permits are as follows:

Spirits	$8.77
Wine	7.02
Beer	0.70
Coolers/Ciders	1.72

plus container deposits and GST. Revenue from import permits decreased from $115,000 in 1999 to $2,000 in 2000. The decrease is due to the creation of Nunavut where residents import large quantities of liquor products from southern Canada.

Retailing and Warehousing

All retail outlets and liquor warehouses are operated by private sector contractors. On April 1, 1999 ownership of the Iqaluit liquor warehouse was transferred to the Government of Nunavut. Under a contracting back agreement between the Government of the Northwest Territories and the Government of Nunavut, the NWT Liquor Commission managed and operated the Nunavut Liquor Commission.

Contractors and expiry dates of each contract are as follows:

Agency	Contractor	Expiry Date
Fort Simpson Liquor Agency	974173 NWT Ltd.	October 31, 2003
Fort Smith Liquor Agency	Martselos Services Ltd.	November 30, 2001
Hay River Liquor Warehouse	Hay River Liquor Retailers (1991) Ltd.	January 31, 2004
Hay River Liquor Agency	Hay River Liquor Retailers (1991) Ltd.	March 31, 2007
Inuvik Liquor Warehouse	Stanton Group Ltd	June 30, 2004
Inuvik Liquor Agency	Stanton Distributing Co. Ltd.	September 30, 2004
Norman Wells Liquor Agency	Norman Wells Liquor Agency Ltd.	September 30, 2003
Yellowknife Liquor Agency	913007 NWT Ltd.	August 31, 2001
Yellowknife Liquor Warehouse	Hay River Liquor Retailers (1991) Ltd.	February 28, 2008

Resupply

The Liquor Commission uses water and highway transportation modes to resupply liquor products to its liquor agencies and warehouses.

Approximately 80% of liquor sold in the Northwest Territories is readily supplied by the highway system with little or no interruptions caused by freeze up or break up of river crossings. Due to the availability of ferry services or winter crossings, Inuvik and Ft. Simpson liquor facilities must warehouse greater quantities of liquor to last over freeze up or break up periods. Similarly, the Norman Wells liquor outlet is resupplied by barge with spirits, wine and beer over the summer months and again during the winter months by winter road.

The Liquor Commission has increased the number of different types of liquor products offered for sale while trying to maintain or decrease its inventory levels. Currently import liquor products are purchased from the British Columbia Liquor Distribution Branch every two months, where previously they were imported directly twice annually. Some domestic suppliers are now supplying the Liquor Commission from their Alberta warehousing facilities, which will enable the Liquor Commission to order on a more frequent basis. This will enable the Liquor Commission to purchase in smaller quantities and reduce the amount of money tied up in inventories.

Recycling

On January 1, 1991 the Liquor Commission initiated a deposit refund program for all spirits and wine containers, beer cans, imported beer bottles and cider and cooler bottles. Beer bottles from Molson and Labatt's breweries are not included in this program as the major breweries have their own deposit refund program in place on beer bottles sold in the Northwest Territories. In communities where the Liquor Commission has an outlet, liquor containers can be returned to designated bottle depots for full deposit refund.

The return rate on the NWT deposit program decreased from 71% in 1998/99 to 70% in 1999/2000.

Labatt and Molson beer bottles may be returned to local bottle depots for a refund that is less than the bottle deposit applied by the two breweries. These refunds vary from community to community. Approximately 90% of Labatt and Molson beer bottles are returned to Brewers Distributing in Edmonton through their deposit refund program.

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Consolidated Operation / Excluding Liquor Licensing Board

Sales / Cost of Sales / Gross Margin /Performance Ratios

March 31, 2000
($000's)

	Spirits	Wine	Beer	Coolers	1999
Sales					
Consumers	10,173	2,249	8,170	677	21,604
Licensees	1,679	451	5,902	312	10,013
	11,852	2,700	14,072	989	31,617
Cost of Sales					
Beginning Inventory	1,443	447	714	120	2,868
Purchases	3,331	1,086	5,388	267	10,716
Freight	125	67	587	13	1,092
Ending Inventory	(1,408)	(432)	(999)	(124)	(2,916)
	3,491	1,168	5,690	276	11,760
Gross Margin	8,361	1,532	8,382	713	19,857
Other Income					
Import Permits					115
Bottle Deposit Program					(1)
Other					-
					114
Operating Expenses					3,930
Net Income					16,041
Sales ratios					
Category to Total Sales	40.0%	9.1%	47.5%	3.4%	
Consumer Sales to Total Category	85.8%	83.3%	58.1%	68.5%	68.3%
Licensee Sales to Total Category	14.2%	16.7%	41.9%	31.5%	31.7%
Profitability ratios					
% Gross Profit to Sales	70.5%	56.7%	59.6%	72.1%	62.8%
% Net Income to Sales					50.7%
Efficiency ratio					
Inventory Turns	2.45	2.66	6.64	2.26	4.07

Consolidated Operation / Excluding Liquor Licensing Board

Sales / Cost of Sales / Gross Margin /Performance Ratios

March 31, 2000
($000's)

	Spirits	Wine	Beer	Coolers	2000	1999
Sales						
Consumers	10,173	2,249	8,170	677	21,269	21,604
Licensees	1,679	451	5,902	312	8,344	10,013
	11,852	2,700	14,072	989	29,613	31,617
Cost of Sales						
Beginning Inventory	1,443	447	714	120	2,724	2,868
Purchases	3,331	1,086	5,388	267	10,072	10,716
Freight	125	67	587	13	792	1,092
Ending Inventory	(1,408)	(432)	(999)	(124)	(2,963)	(2,916)
	3,491	1,168	5,690	276	10,625	11,760
Gross Margin	8,361	1,532	8,382	713	18,988	19,857
Other Income						
Import Permits					2	115
Bottle Deposit Program					129	(1)
Other					102	-
					233	114
Operating Expenses					3,651	3,930
Net Income					15,570	16,041
Sales ratios						
Category to Total Sales	40.0%	9.1%	47.5%	3.4%		
Consumer Sales to Total Category	85.8%	83.3%	58.1%	68.5%	71.8%	68.3%
Licensee Sales to Total Category	14.2%	16.7%	41.9%	31.5%	28.2%	31.7%
Profitability ratios						
% Gross Profit to Sales	70.5%	56.7%	59.6%	72.1%	64.1%	62.8%
% Net Income to Sales					52.6%	50.7%
Efficiency ratio						
Inventory Turns	2.45	2.66	6.64	2.26	3.90	4.07

Five Year Performance History / Excluding Liquor Licensing Board

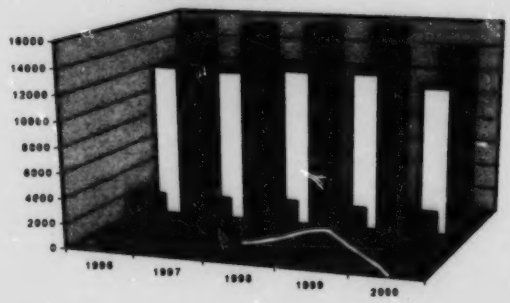
Year	Gross Sales	%Change In Sales	Net Income	Net Income as % of Sales	Operating Expenses
1996	30,415	2.3%	15,757	51.81%	3,775
1997	30,048	1.2%	15,633	52.03%	3,687
1998	30,706	2.2%	15,846	51.61%	3,875
1999	31,617	3.0%	16,043	50.74%	3,930
2000	29,613	-6.3%	15,570	52.60%	3,651

Five Year Sales History

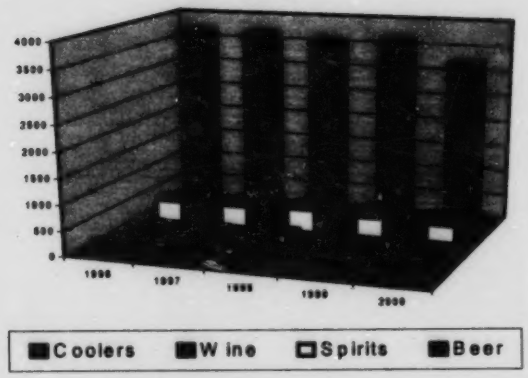
($000's)	1996	1997	1998	1999	2000
Spirits	12,531	12,370	12,664	12,709	11,852
Wine	2,537	2,543	2,735	2,608	2,700
Beer	15,347	15,135	15,307	15,508	14,072
Coolers				792	989
	30,415	30,048	30,706	31,617	29,613

In Litres (000's)	1996	1997	1998	1999	2000
Spirits	425	430	457	399	356
Wine	239	246	292	227	222
Beer	3,698	3,678	3,576	3,629	3,248
Coolers				141	169
	4,362	4,354	4,325	4,396	3,995

In Dollars



In Litres



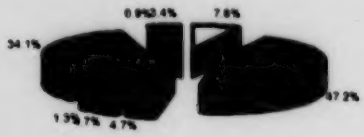
Liquor Sales by Customer Type

($000's)	2000	% of Total Sales
Spirit Sales to Public	10,173	34.4
Beer Sales to Public	8,170	27.6
Wine Sales to Public	2,248	7.6
Cooler Sales to Public	678	2.3
Total Consumer Sales	21,269	71.8
Spirit Sales to Licensees	1,679	5.7
Beer Sales to Licensees	5,902	19.9
Wine Sales to Licensees	451	1.5
Cooler Sales to Licensees	312	1.1
Total Licensee Sales	8,344	28.2
Total Sales	29,613	100.0

In Dollars

- Spirit Sales to Public
- Beer Sales to Public
- Wine Sales to Public
- Cooler Sales to Public

In Litres



- Spirit Sales to Licensees
- Beer Sales to Licensees
- Wine Sales to Licensees
- Cooler Sales to Licensees

Litre Sales by Customer Type

(000's)	2000	% of Total Sales
Spirit Sales to Public	303	7.6
Beer Sales to Public	1,885	47.2
Wine Sales to Public	187	4.7
Cooler Sales to Public	118	2.9
Total Consumer Sales	2,493	62.4
Spirit Sales to Licensees	53	1.3
Beer Sales to Licensees	1,363	34.1
Wine Sales to Licensees	35	0.9
Cooler Sales to Licensees	51	1.3
Total Licensee Sales	1,502	37.6
Total Sales	3,995	100.0

Store Operations

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micromedia
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20 Victoria Street
Toronto, Ontario M5C 2N8
Tel.: (416) 362-5211
Toll Free: 1-800-387-2689
Fax: (416) 362-6161
Email: info@micromedia.on.ca

Liquor Sold By Location

($000's)	Spirits	Wine	Beer	Coolers	1999
Yellowknife	5,801	1,863	7,509	507	16,040
Inuvik	2,608	287	2,246	230	4,750
Hay River	1,434	236	2,128	135	3,857
Norman Wells	701	70	714	31	1,444
Fort Smith	469	200	890	62	1,483
Fort Simpson	835	30	582	24	1,366
Iqaluit	-	-	-	-	2,662
* Other	4	14	3	-	15
Total 2000	11,852	2,700	14,072	989	
Total 1999	12,709	2,608	15,508	792	31,617
% Increase (Decrease)	-6.7%	3.5%	-9.3%	24.9%	0

* This refers to sales made to remote areas through Head Office from other liquor jurisdictions

Litres Sold By Location

(000's)	Spirits	Wine	Beer	Coolers	1999
Yellowknife	174	149	1,801	90	2,268
Inuvik	77	23	467	35	544
Hay River	44	21	512	24	588
Norman Wells	21	5	148	5	174
Fort Smith	14	19	202	11	231
Fort Simpson	25	2	117	4	142
Iqaluit	-	-	-	-	445
Other	1	3	1	-	4
Total 2000	356	222	3,248	169	
Total 1999	399	227	3,629	141	4,396
% Increase (Decrease)	-10.8%	-2.2%	-10.5%	19.9%	0.0%

Liquor Sold By Location

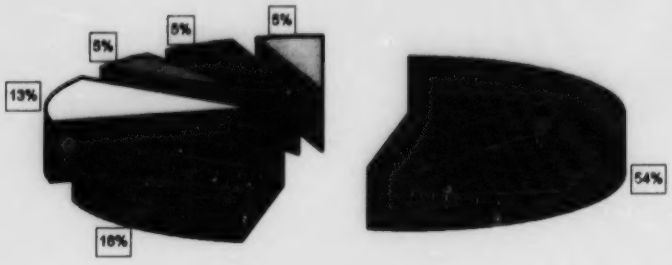
($000's)	Spirits	Wine	Beer	Coolers	2000	1999
Yellowknife	5,801	1,863	7,509	507	15,680	16,040
Inuvik	2,608	287	2,246	230	5,371	4,750
Hay River	1,434	236	2,128	135	3,933	3,857
Norman Wells	701	70	714	31	1,516	1,444
Fort Smith	469	200	890	62	1,621	1,483
Fort Simpson	835	30	582	24	1,471	1,366
Iqaluit	-	-	-	-	-	2,662
* Other	4	14	3	-	21	15
Total 2000	11,852	2,700	14,072	989	29,613	
Total 1999	12,709	2,608	15,508	792		31,617
% Increase (Decrease)	-6.7%	3.5%	-9.3%	24.9%	-6.3%	0

* This refers to sales made to remote areas through Head Office from other liquor jurisdictions

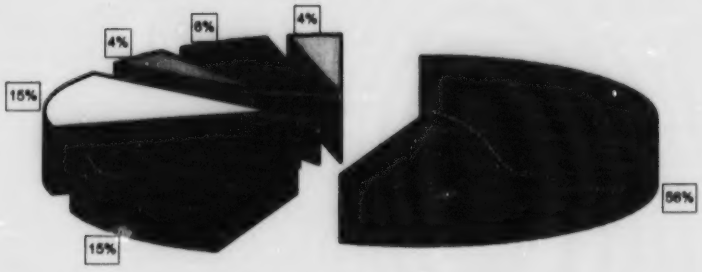
Litres Sold By Location

(000's)	Spirits	Wine	Beer	Coolers	2000	1999
Yellowknife	174	149	1,801	90	2,214	2,268
Inuvik	77	23	467	35	602	544
Hay River	44	21	512	24	601	588
Norman Wells	21	5	148	5	179	174
Fort Smith	14	19	202	11	246	231
Fort Simpson	25	2	117	4	148	142
Iqaluit	-	-	-	-	-	445
Other	1	3	1	-	5	4
Total 2000	356	222	3,248	169	3,995	
Total 1999	399	227	3,629	141	-	4,396
% Increase (Decrease)	-10.8%	-2.2%	-10.5%	19.9%	-9.1%	0.0%

Sales in Dollars By Location



Sales in Litres By Location



■ Yellowknife ■ Inuvik □ Hay River
■ Norman Wells ■ Fort Smith □ Fort Simpson

Sales to Licensees

($000's)	Spirits	Wine	Beer	Coolers		1999
Yellowknife	1,006	369	2,991	157		4,193
Inuvik	246	35	1,063	85		1,239
Hay River	196	23	939	39		1,118
Norman Wells	86	16	262	7		364
Fort Smith	87	7	368	18		480
Fort Simpson	54	1	276	6		289
Iqaluit	-	-	-	-		2,321
Other	4	-	3	-		10
Total 2000	1,679	451	5,902	312		
Total 1999	1,895	471	7,425	223		10,014
% Increase (Decrease)	-11.4%	-4.2%	-20.5%	39.9%		

Sales to Consumers

($000's)	Spirits	Wine	Beer	Coolers		1999
Yellowknife	4,795	1,494	4,518	350		11,847
Inuvik	2,362	252	1,183	145		3,511
Hay River	1,238	213	1,189	96		2,739
Norman Wells	615	54	452	24		1,080
Fort Smith	382	193	522	44		1,003
Fort Simpson	781	29	306	18		1,077
Iqaluit	-	-	-	-		341
Other	-	14	-	-		5
Total 2000	10,173	2,249	8,170	677		
Total 1999	10,814	2,136	8,084	569		21,603
% Increase (Decrease)	-5.9%	5.3%	1.1%	19.0%		

Sales to Licensees

($000's)		Spirits	Wine	Beer	Coolers		1999
Yellowknife		1,006	369	2,991	157		4,193
Inuvik		246	35	1,063	85		1,239
Hay River		196	23	939	39		1,118
Norman Wells		86	16	262	7		364
Fort Smith		87	7	368	18		480
Fort Simpson		54	1	276	6		289
Iqaluit		-	-	-	-		2,321
Other		4	-	3	-		10
	Total 2000	1,679	451	5,902	312		
	Total 1999	1,895	471	7,425	223		10,014
	% Increase (Decrease)	-11.4%	-4.2%	-20.5%	39.9%		

Sales to Consumers

($000's)		Spirits	Wine	Beer	Coolers		1999
Yellowknife		4,795	1,494	4,518	350	11,157	11,847
Inuvik		2,362	252	1,183	145	3,942	3,511
Hay River		1,238	213	1,189	96	2,736	2,739
Norman Wells		615	54	452	24	1,145	1,080
Fort Smith		382	193	522	44	1,141	1,003
Fort Simpson		781	29	306	18	1,134	1,077
Iqaluit		-	-	-	-	-	341
Other		-	14	-	-	14	5
	Total 2000	10,173	2,249	8,170	677	21,269	
	Total 1999	10,814	2,136	8,084	569		21,603
	% Increase (Decrease)	-5.9%	5.3%	1.1%	19.0%	-1.5%	

Sales To Licensees

In Litres (000's)	Spirits	Wine	Beer	Coolers	[illegible]	1999
Yellowknife	31	28	728	27	[illegible]	788
Inuvik	7	3	218	12	[illegible]	217
Hay River	6	2	224	7	[illegible]	224
Norman Wells	3	1	54	1	[illegible]	57
Fort Smith	3	1	83	3	[illegible]	92
Fort Simpson	2	-	55	1	[illegible]	51
Iqaluit	-	-	-	-	-	416
Other	1	-	1	-	[illegible]	3
Total 2000	53	35	1,363	51	[illegible]	
Total 1999	61	41	1,707	39		1,848
% Increase (Decrease)	-13.1%	-14.6%	-20.2%	30.8%	[illegible]	

Sales to Consumers

In Litres (000's)	Spirits	Wine	Beer	Coolers	[illegible]	1999
Yellowknife	143	121	1,073	63	[illegible]	1,480
Inuvik	70	20	249	23	[illegible]	327
Hay River	38	19	288	17	[illegible]	364
Norman Wells	18	4	94	4	[illegible]	117
Fort Smith	11	18	119	8	[illegible]	139
Fort Simpson	23	2	62	3	[illegible]	91
Iqaluit	-	-	-	-	-	29
Other	-	3	-	-	[illegible]	1
Total 2000	303	187	1,885	118	[illegible]	
Total 1999	338	187	1,922	101		2,548
% Increase (Decrease)	-10.4%	0.0%	-1.9%	16.8%	[illegible]	

Sales To Licensees

In Litres (000's)	Spirits	Wine	Beer	Coolers	1999
Yellowknife	31	28	728	27	788
Inuvik	7	3	218	12	217
Hay River	6	2	224	7	224
Norman Wells	3	1	54	1	57
Fort Smith	3	1	83	3	92
Fort Simpson	2	-	55	1	51
Iqaluit	-	-	-	-	416
Other	1	-	1	-	3
Total 2000	53	35	1,363	51	
Total 1999	61	41	1,707	39	1,848
% Increase (Decrease)	-13.1%	-14.6%	-20.2%	30.8%	

Sales to Consumers

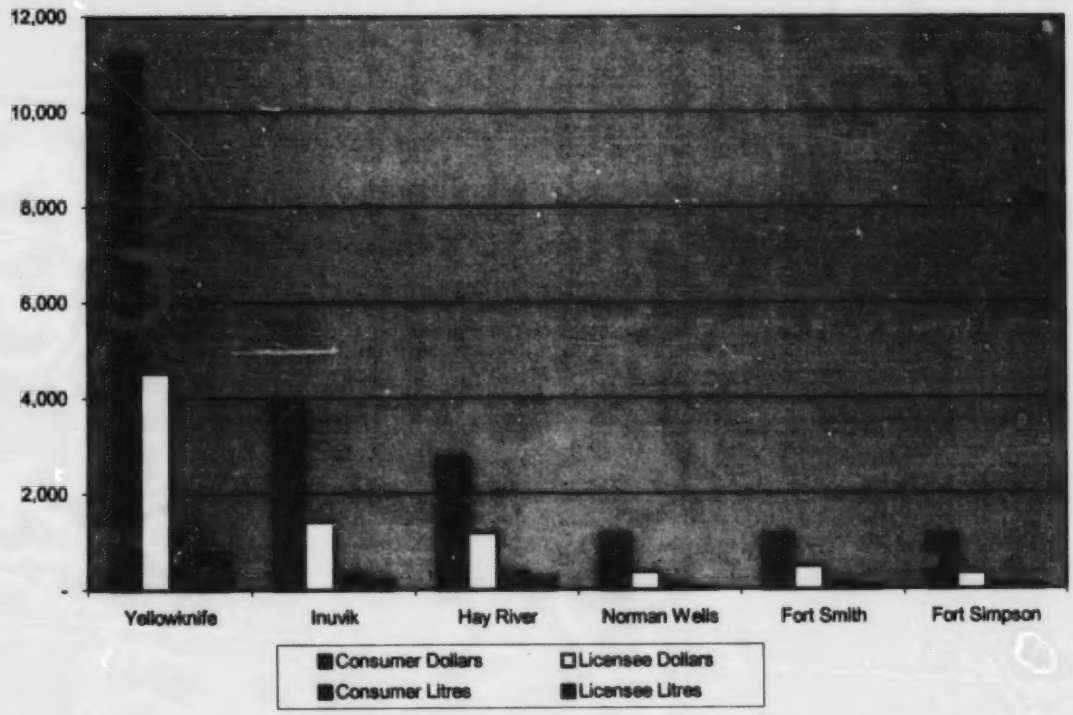
In Litres (000's)	Spirits	Wine	Beer	Coolers	1999
Yellowknife	143	121	1,073	63	1,480
Inuvik	70	20	249	23	327
Hay River	38	19	288	17	364
Norman Wells	18	4	94	4	117
Fort Smith	11	18	119	8	139
Fort Simpson	23	2	62	3	91
Iqaluit	-	-	-	-	29
Other	-	3	-	-	1
Total 2000	303	187	1,885	118	
Total 1999	338	187	1,922	101	2,548
% Increase (Decrease)	-10.4%	0.0%	-1.9%	16.8%	

Sales By Customer Type

($000's)	Consumer	Licensee	2000
Yellowknife	11,157	4,523	15,680
Inuvik	3,942	1,429	5,371
Hay River	2,736	1,197	3,933
Norman Wells	1,145	371	1,516
Fort Smith	1,141	480	1,621
Fort Simpson	1,134	337	1,471
Other	14	7	21
Total 2000	21,269	8,344	29,613
Total 1999	21,603	10,014	31,617

In litres (000's)	Consumer	Licensee	2000
Yellowknife	1,400	814	2,214
Inuvik	362	240	602
Hay River	362	239	601
Norman Wells	120	59	179
Fort Smith	156	90	246
Fort Simpson	90	58	148
Other	3	2	5
Total 2000	2,493	1,502	3,995
Total 1999	2,548	1,848	4,396

Sales By Customer Type



Yellowknife Operations

Sales / Cost of Sales / Gross Margin /Performance Ratios

March 31,2000
($000's)

	Spirits	Wine	Beer	Coolers	1999
Sales					
Consumers	4,795	1,494	4,518	350	11,847
Licensees	1,006	369	2,991	157	4,193
	5,801	1,863	7,509	507	16,040
Cost of Sales					
Beginning Inventory	829	264	337	71	1,100
Purchases	1,470	745	3,066	114	5,965
Freight	38	30	232	6	384
Ending Inventory	(613)	(242)	(592)	(55)	(1,500)
	1,724	797	3,043	136	5,949
Gross Margin	4,077	1,066	4,466	371	10,091
Operating Expenses					
Warehouse					505
Retail					1,000
					1,505
Net Income					8,586
Sales ratios					
Category to Total Sales	37.0%	11.9%	47.9%	3.2%	
Consumer Sales to Total Category	82.7%	80.2%	60.2%	69.0%	73.9%
Licensee Sales to Total Category	17.3%	19.8%	39.8%	31.0%	26.1%
Profitability ratios					
% Gross Profit to Sales	70.3%	57.2%	59.5%	73.2%	62.9%
% Net Income to Sales					53.5%
Efficiency ratio					
Inventory Turns	2.39	3.15	6.55	2.16	4.58

Inuvik Operations

Sales / Cost of Sales / Gross Margin / Performance Ratios

March 31,2000
($000's)

	Spirits	Wine	Beer	Coolers		1999
Sales						
Consumers	2,362	252	1,183	145		3,511
Licensees	246	35	1,063	85		1,239
	2,608	287	2,246	230		4,750
Cost of Sales						
Beginning Inventory	203	53	183	19		508
Purchases	770	108	776	63		1,480
Freight	49	20	197	3		224
Ending Inventory	(245)	(49)	(220)	(19)		(458)
	777	132	936	66		1,754
Gross Margin	1,831	155	1,310	164		2,996
Operating Expenses						
Warehouse						205
Retail						266
						471
Net Income						2,525
Sales ratios						
Category to Total Sales	48.6%	5.3%	41.8%	4.3%		
Consumer Sales to Total Category	90.6%	87.8%	52.7%	63.0%		73.9%
Licensee Sales to Total Category	9.4%	12.2%	47.3%	37.0%		26.1%
Profitability ratios						
% Gross Profit to Sales	70.2%	54.0%	58.3%	71.3%		63.1%
% Net Income to Sales						53.2%
Efficiency ratio						
Inventory Turns	3.47	2.59	4.65	3.47		3.63

Yellowknife Operations

Sales / Cost of Sales / Gross Margin /Performance Ratios

March 31,2000
($000's)

	Spirits	Wine	Beer	Coolers	[illegible]	1999
Sales						
Consumers	4,795	1,494	4,518	350	11,157	11,847
Licensees	1,006	369	2,991	157	4,523	4,193
	5,801	1,863	7,509	507	15,680	16,040
Cost of Sales						
Beginning Inventory	829	264	337	71	1,500	1,100
Purchases	1,470	745	3,066	114	5,395	5,965
Freight	38	30	232	6	306	384
Ending Inventory	(613)	(242)	(592)	(55)	(1,502)	(1,500)
	1,724	797	3,043	136	5,699	5,949
Gross Margin	4,077	1,066	4,466	371	9,981	10,091
Operating Expenses						
Warehouse					425	505
Retail					950	1,000
					1,375	1,505
Net Income					8,606	8,586
Sales ratios						
Category to Total Sales	37.0%	11.9%	47.9%	3.2%		
Consumer Sales to Total Category	82.7%	80.2%	60.2%	69.0%	71.2%	73.9%
Licensee Sales to Total Category	17.3%	19.8%	39.8%	31.0%	28.8%	26.1%
Profitability ratios						
% Gross Profit to Sales	70.3%	57.2%	59.5%	73.2%	63.7%	62.9%
% Net Income to Sales					54.1%	53.5%
Efficiency ratio						
Inventory Turns	2.39	3.15	6.55	2.16	3.80	4.58

Inuvik Operations

Sales / Cost of Sales / Gross Margin / Performance Ratios

March 31,2000
($000's)

	Spirits	Wine	Beer	Coolers	[illegible]	1999
Sales						
Consumers	2,362	252	1,183	145	[illegible]	3,511
Licensees	246	35	1,063	85	[illegible]	1,239
	2,608	287	2,246	230	[illegible]	4,750
Cost of Sales						
Beginning Inventory	203	53	183	19	[illegible]	508
Purchases	770	108	776	63	[illegible]	1,480
Freight	49	20	197	3	[illegible]	224
Ending Inventory	(245)	(49)	(220)	(19)	[illegible]	(458)
	777	132	936	66	[illegible]	1,754
Gross Margin	1,831	155	1,310	164	[illegible]	2,996
Operating Expenses						
Warehouse					[illegible]	205
Retail					[illegible]	266
					[illegible]	471
Net Income					[illegible]	2,525
Sales ratios						
Category to Total Sales	48.6%	5.3%	41.8%	4.3%		
Consumer Sales to Total Category	90.6%	87.8%	52.7%	63.0%	73.4%	73.9%
Licensee Sales to Total Category	9.4%	12.2%	47.3%	37.0%	[illegible]	26.1%
Profitability ratios						
% Gross Profit to Sales	70.2%	54.0%	58.3%	71.3%	[illegible]	63.1%
% Net Income to Sales					[illegible]	53.2%
Efficiency ratio						
Inventory Turns	3.47	2.59	4.65	3.47	[illegible]	3.63

Hay River Operations

Sales / Cost of Sales / Gross Margin / Performance Ratios

March 31,2000
($000's)

	Spirits	Wine	Beer	Coolers	2000	1999
Sales						
Consumers	1,238	213	1,189	96	2,736	2,739
Licensees	196	23	939	39	1,197	1,118
	1,434	236	2,128	135	3,933	3,857
Cost of Sales						
Beginning Inventory	215	69	87	23	394	420
Purchases	509	107	775	52	1,443	1,310
Freight	17	8	52	1	78	90
Ending Inventory	(337)	(86)	(58)	(35)	(516)	(394)
	404	98	856	41	1,399	1,426
Gross Margin	1,030	138	1,272	94	2,534	2,431
Operating Expenses						
Warehouse					207	188
Retail					224	223
					431	411
Net Income					2,103	2,020
Sales ratios						
Category to Total Sales	36.5%	6.0%	54.1%	3.4%		
Consumer Sales to Total Category	86.3%	90.3%	55.9%	71.1%	69.6%	71.0%
Licensee Sales to Total Category	13.7%	9.7%	44.1%	28.9%	30.4%	29.0%
Profitability ratios						
% Gross Profit to Sales	71.8%	58.5%	59.8%	69.6%	64.4%	63.0%
% Net Income to Sales					53.5%	52.4%
Efficiency ratio						
Inventory Turns	1.46	1.26	11.81	1.41	3.07	3.50

Norman Wells Operations

Sales / Cost of Sales / Gross Margin / Performance Ratios

March 31,2000
(000's)

	Spirits	Wine	Beer	Coolers	2000	1999
Sales						
Consumers	615	54	452	24	1,145	1,080
Licensees	86	16	262	7	371	364
	701	70	714	31	1,516	1,444
Cost of Sales						
Beginning Inventory	118	25	62	4	209	227
Purchases	205	34	220	12	471	423
Freight	11	4	45	2	62	63
Ending Inventory	(124)	(25)	(43)	(10)	(202)	(209)
	210	38	284	8	540	504
Gross Profit	491	32	430	23	976	940
Operating Expenses					184	175
Net Income					792	765
Sales ratios						
Category to Total Sales	46.2%	4.6%	47.1%	2.1%		
Consumer Sales to Total Category	87.7%	77.1%	63.3%	77.4%	75.5%	74.8%
Licensee Sales to Total Category	12.3%	22.9%	36.7%	22.6%	24.5%	25.2%
Profitability ratios						
% Gross Profit to Sales	70.0%	45.7%	60.2%	74.2%	64.4%	65.1%
% Net Income to Sales					52.2%	53.0%
Efficiency ratio						
Inventory Turns	1.74	1.52	5.41	1.14	2.63	2.31

Hay River Operations

Sales / Cost of Sales / Gross Margin / Performance Ratios

March 31,2000
($000's)

	Spirits	Wine	Beer	Coolers		1999
Sales						
Consumers	1,238	213	1,189	96		2,739
Licensees	196	23	939	39		1,118
	1,434	236	2,128	135		3,857
Cost of Sales						
Beginning Inventory	215	69	87	23		420
Purchases	509	107	775	52		1,310
Freight	17	8	52	1		90
Ending Inventory	(337)	(86)	(58)	(35)		(394)
	404	98	856	41		1,426
Gross Margin	1,030	138	1,272	94		2,431
Operating Expenses						
Warehouse						188
Retail						223
						411
Net Income						2,020
Sales ratios						
Category to Total Sales	36.5%	6.0%	54.1%	3.4%		
Consumer Sales to Total Category	86.3%	90.3%	55.9%	71.1%		71.0%
Licensee Sales to Total Category	13.7%	9.7%	44.1%	28.9%		29.0%
Profitability ratios						
% Gross Profit to Sales	71.8%	58.5%	59.8%	69.6%		63.0%
% Net Income to Sales						52.4%
Efficiency ratio						
Inventory Turns	1.46	1.26	11.81	1.41		3.50

Norman Wells Operations

Sales / Cost of Sales / Gross Margin / Performance Ratios

March 31,2000
(000's)

	Spirits	Wine	Beer	Coolers		1999
Sales						
Consumers	615	54	452	24		1,080
Licensees	86	16	262	7		364
	701	70	714	31		1,444
Cost of Sales						
Beginning Inventory	118	25	62	4		227
Purchases	205	34	220	12		423
Freight	11	4	45	2		63
Ending Inventory	(124)	(25)	(43)	(10)		(209)
	210	38	284	8		504
Gross Profit	491	32	430	23		940
Operating Expenses						175
Net Income						765
Sales ratios						
Category to Total Sales	46.2%	4.6%	47.1%	2.1%		
Consumer Sales to Total Category	87.7%	77.1%	63.3%	77.4%		74.8%
Licensee Sales to Total Category	12.3%	22.9%	36.7%	22.6%		25.2%
Profitability ratios						
% Gross Profit to Sales	70.0%	45.7%	60.2%	74.2%		65.1%
% Net Income to Sales						53.0%
Efficiency ratio						
Inventory Turns	1.74	1.52	5.41	1.14		2.31

Fort Smith Operations

Sales / Cost of Sales / Gross Margin / Performance Ratios

March 31,2000
(000's)

	Spirits	Wine	Beer	Coolers		1999
Sales						
Consumers	382	193	522	44		1,003
Licensees	87	7	368	18		480
	469	200	890	62		1,483
Cost of Sales						
Beginning Inventory	44	24	35	2		125
Purchases	121	72	325	16		478
Freight	4	5	31	-		42
Ending Inventory	(39)	(19)	(40)	(3)		(105)
	130	82	351	15		540
Gross Margin	339	118	539	47		943
Operating Expenses						150
Net Income						793
Sales ratios						
Category to Total Sales	28.9%	12.3%	54.9%	3.8%		
Consumer Sales to Total Category	81.4%	96.5%	58.7%	71.0%		67.6%
Licensee Sales to Total Category	18.6%	3.5%	41.3%	29.0%		32.4%
Profitability ratios						
% Gross Profit to Sales	72.3%	59.0%	60.6%	75.8%		63.6%
% Net Income to Sales						53.5%
Efficiency ratio						
Inventory Turns	3.13	3.81	9.36	6.00		4.70

Fort Simpson Operations

Sales / Cost of Sales / Gross Margin / Performance Ratios

March 31,2000
(000's)

	Spirits	Wine	Beer	Coolers		1999
Sales						
Consumers	781	29	306	18		1,077
Licensees	54	1	276	6		289
	835	30	582	24		1,366
Cost of Sales						
Beginning Inventory	36	10	11	1		88
Purchases	255	13	223	10		375
Freight	6	1	28	1		25
Ending Inventory	(50)	(9)	(46)	(2)		(58)
	247	15	216	10		430
Gross Margin	588	15	366	14		936
Operating Expenses						164
Net Income						772
Sales ratios						
Category to Total Sales	56.8%	2.0%	39.6%	1.6%		
Consumer Sales to Total Category	93.5%	96.7%	52.6%	75.0%		78.8%
Licensee Sales to Total Category	6.5%	3.3%	47.4%	25.0%		21.2%
Profitability ratios						
% Gross Profit to Sales	70.4%	50.0%	62.9%	58.3%		68.5%
% Net Income to Sales						56.5%
Efficiency ratio						
Inventory Turns	5.74	1.58	7.58	6.67		5.89

Fort Smith Operations

Sales / Cost of Sales / Gross Margin / Performance Ratios

March 31,2000
(000's)

	Spirits	Wine	Beer	Coolers		1999
Sales						
Consumers	382	193	522	44	1,141	1,003
Licensees	87	7	368	18	480	480
	469	200	890	62	1,621	1,483
Cost of Sales						
Beginning Inventory	44	24	35	2	105	125
Purchases	121	72	325	16	534	478
Freight	4	5	31	-	40	42
Ending Inventory	(39)	(19)	(40)	(3)	(101)	(105)
	130	82	351	15	578	540
Gross Margin	339	118	539	47	1,043	943
Operating Expenses					164	150
Net Income					879	793
Sales ratios						
Category to Total Sales	28.9%	12.3%	54.9%	3.8%		
Consumer Sales to Total Category	81.4%	96.5%	58.7%	71.0%	70.4%	67.6%
Licensee Sales to Total Category	18.6%	3.5%	41.3%	29.0%	29.6%	32.4%
Profitability ratios						
% Gross Profit to Sales	72.3%	59.0%	60.6%	75.8%	64.3%	63.6%
% Net Income to Sales					54.2%	53.5%
Efficiency ratio						
Inventory Turns	3.13	3.81	9.36	6.00	5.81	4.70

Fort Simpson Operations

Sales / Cost of Sales / Gross Margin / Performance Ratios

March 31,2000
(000's)

	Spirits	Wine	Beer	Coolers		1999
Sales						
Consumers	781	29	306	18		1,077
Licensees	54	1	276	6		289
	835	30	582	24		1,366
Cost of Sales						
Beginning Inventory	36	10	11	1		88
Purchases	255	13	223	10		375
Freight	6	1	28	1		25
Ending Inventory	(50)	(9)	(46)	(2)		(58)
	247	15	216	10		430
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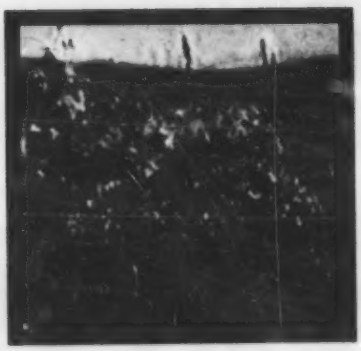
Profitability ratios						
% Gross Profit to Sales	70.4%	50.0%	62.9%	58.3%		68.5%
% Net Income to Sales						56.5%
Efficiency ratio						
Inventory Turns	5.74	1.58	7.58	6.67		5.89

Recycle Program



M121

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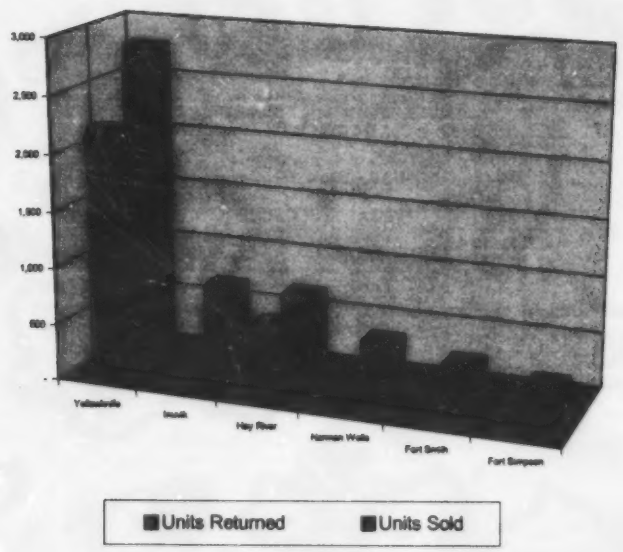
Bottle Depot Operations

March 31,2000

($000's)	1999
Income	
Deposits collected on sales	711
Increase (Reduction) in allowance for outstanding deposits	(1)
Total income	710
Expenditures	
Deposits reimbursed to agents on returns	549
Commissions paid to agents on returns	91
Amortization of recycling equipment	14
Accrued Liability to Agents	-
Total Expenditures	654
Surplus	56

Deposit Units Sold & Returned

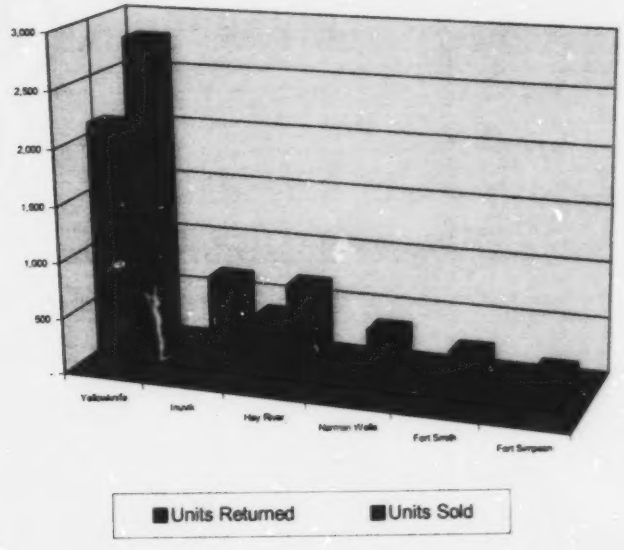


Bottle Depot Operations

March 31,2000

($000's)	2000	1999
Income		
Deposits collected on sales	699	711
Increase (Reduction) in allowance for outstanding deposits	36	(1)
Total income	635	710
Expenditures		
Deposits reimbursed to agents on returns	424	549
Commissions paid to agents on returns	68	91
Amortization of recycling equipment	15	14
Accrued Liability to Agents	-	-
Total Expenditures	507	654
Surplus	128	56

Deposit Units Sold & Returned



Deposit Units Sold by Location

(000's)	Spirits	Wine	Beer	Coolers	2000	1999
Yellowknife	263	163	2,171	206	2,803	2,965
Inuvik	99	25	480	73	677	572
Hay River	69	23	532	55	679	678
Norman Wells	22	6	309	8	345	293
Fort Smith	19	22	163	26	230	201
Fort Simpson	33	2	97	11	143	152
Iqaluit	-	-	-	-	-	1,134
Total 2000	505	241	3,752	379	4,877	
* Total 1999	528	242	5,225			5,995
% change	-4.4%	-0.4%			-18.6%	

Deposit Units Returned by Location

(000's)	Spirits	Wine	Beer	Coolers	2000	1999
Yellowknife	207	176	1,534	277	2,194	2,415
Inuvik	27	13	181	59	280	301
Hay River	50	22	512	52	636	517
Norman Wells	2	-	66	1	69	20
Fort Smith	9	17	92	20	138	95
Fort Simpson	34	-	53	4	91	89
Iqaluit	-	-	-	-	-	1,138
Total 2000	329	228	2,438	413	3,408	
* Total 1999	371	235	3,969			4,575
% change	-11.3%	-3.0%			-25.5%	

* The 1999 figures for Beer include both beer & coolers.

Deposits Collected on Sales

($000's)	Spirits	Wine	Beer	Coolers	2000	1999
Yellowknife	66	41	216	21	344	361
Inuvik	25	6	48	7	86	74
Hay River	17	6	53	5	81	81
Norman Wells	5	1	31	1	39	33
Fort Smith	5	6	16	3	29	35
Fort Simpson	8	-	10	1	20	20
Iqaluit	-	-	-	-	-	117
Total 2000	126	60	374	38	599	
* Total 1999	130	59	522			711
% change	-3.1%	1.7%			-15.8%	

Deposits Paid to Agents on Return

($000's)	Spirits	Wine	Beer	Coolers	2000	1999
Yellowknife	52	44	153	28	277	303
Inuvik	7	3	18	6	34	37
Hay River	13	6	51	5	75	61
Norman Wells	-	-	7	-	7	2
Fort Smith	2	4	9	2	17	13
Fort Simpson	8	-	6	-	14	14
Iqaluit	-	-	-	-	-	119
Total 2000	82	57	244	41	424	
* Total 1999	93	60	396			549
% change	-11.8%	-5.0%			-22.8%	

* The 1999 figures for Beer include both Beer & Coolers

Deposit Units Sold by Location

(000's)	Spirits	Wine	Beer	Coolers		1999
Yellowknife	263	163	2,171	206		2,965
Inuvik	99	25	430	73		572
Hay River	69	23	532	55		678
Norman Wells	22	6	309	8		293
Fort Smith	19	22	163	26		201
Fort Simpson	33	2	97	11		152
Iqaluit	-	-	-	-		1,134
Total 2000	505	241	3,752	379		
* Total 1999	526	242	5,225			5,995
% change	-4.4%	-0.4%				

Deposit Units Returned by Location

(000's)	Spirits	Wine	Beer	Coolers		1999
Yellowknife	207	176	1,534	277		2,415
Inuvik	27	13	181	59		301
Hay River	50	22	512	52		517
Norman Wells	2	-	66	1		20
Fort Smith	9	17	92	20		95
Fort Simpson	34	-	53	4		89
Iqaluit	-	-	-	-		1,138
Total 2000	329	228	2,438	413		
* Total 1999	371	235	3,969			4,575
% change	-11.3%	-3.0%				

* The 1999 figures for Beer include both beer & coolers.

Deposits Collected on Sales

($000's)	Spirits	Wine	Beer	Coolers		1999
Yellowknife	66	41	216	21		361
Inuvik	25	6	48	7		74
Hay River	17	6	53	5		81
Norman Wells	5	1	31	1		33
Fort Smith	5	6	16	3		35
Fort Simpson	8	-	10	1		20
Iqaluit	-	-	-	-		117
Total 2000	126	60	374	38		
* Total 1999	130	59	522			711
% change	-3.1%	1.7%				

Deposits Paid to Agents on Return

($000's)	Spirits	Wine	Beer	Coolers		1999
Yellowknife	52	44	153	28		303
Inuvik	7	3	18	6		37
Hay River	13	6	51	5		61
Norman Wells	-	-	7	-		2
Fort Smith	2	4	9	2		13
Fort Simpson	8	-	6	-		14
Iqaluit	-	-	-	-		119
Total 2000	82	57	244	41		
* Total 1999	93	60	396			549
% change	-11.8%	-5.0%				

* The 1999 figures for Beer include both Beer & Coolers

Depot Fees Paid to Operators

($000's)	Spirits	Wine	Beer	Coolers	[redacted]	1999
Yellowknife	4	5	30	6	[redacted]	48
Inuvik	1	-	4	1	[redacted]	6
Hay River	1	-	10	1	[redacted]	10
Norman Wells	-	-	1	-	[redacted]	1
Fort Smith	-	-	2	-	[redacted]	2
Fort Simpson	1	-	1	-	[redacted]	2
Iqaluit	-	-	-	-	[redacted]	22
Total 2000	7	5	48	8	[redacted]	
* Total 1999	8	3	80			91
% change	-12.5%	66.7%			[redacted]	

* The 1999 figure for Beer includes both Beer & Coolers

Ratio of Returns to Sales

(%)	Spirits	Wine	Beer	Coolers	[redacted]	1999
Yellowknife	78.7	108.0	70.7	134.5	[redacted]	81.5
Inuvik	27.3	52.0	37.7	80.8	[redacted]	52.6
Hay River	72.5	95.7	96.2	94.5	[redacted]	76.3
Norman Wells	9.1	-	21.4	12.5	[redacted]	6.8
Fort Smith	47.4	77.3	56.4	76.9	[redacted]	47.3
Fort Simpson	103.0	-	54.6	36.4	[redacted]	58.6
Iqaluit	-	-	-	-	[redacted]	100.4
Total 2000	65.1	94.6	65.0	109.0	[redacted]	
Total 1999	70.3	97.1	76.0			75.3
% change	-5.1%	-2.5%	-11.0%		[redacted]	17.7%

Depot Fees Paid to Operators

($000's)	Spirits	Wine	Beer	Coolers		1999
Yellowknife	4	5	30	6		48
Inuvik	1	-	4	1		6
Hay River	1	-	10	1		10
Norman Wells	-	-	1	-		1
Fort Smith	-	-	2	-		2
Fort Simpson	1	-	1	-		2
Iqaluit	-	-	-	-		22
Total 2000	7	5	48	8		
* Total 1999	8	3	80			91
% change	-12.5%	66.7%				

* The 1999 figure for Beer includes both Beer & Coolers

Ratio of Returns to Sales

(%)	Spirits	Wine	Beer	Coolers		1999
Yellowknife	78.7	108.0	70.7	134.5		81.5
Inuvik	27.3	52.0	37.7	80.8		52.6
Hay River	72.5	95.7	96.2	94.5		76.3
Norman Wells	9.1	-	21.4	12.5		6.8
Fort Smith	47.4	77.3	56.4	76.9		47.3
Fort Simpson	103.0	-	54.6	36.4		58.6
Iqaluit	-	-	-	-		100.4
Total 2000	65.1	94.6	65.0	109.0		
Total 1999	70.3	97.1	76.0			76.3
% change	-5.1%	-2.5%	-11.0%			17.7%

Northwest Territories Liquor Licensing Board

Financial Results And General Statistics

Statement of Operations

March 31, 2000

($000's)		1999
Income		
	Licensing Fees	484
	Special Occasion Licenses	76
	Annual License Fees	45
	Other	1
	Total income	606
Operating Expenses		
	Salaries	207
	Honoraria	25
	Travel	78
	Inspections Contracts	40
	Professional fees	-
	Advertising	6
	Office Rent & Supplies	78
	Total Expenditures	434
Net Income		172

Five Year Performance History

Year	Gross Revenue (000's)	%Change In Revenue	Net Income (000's)	% Change Net Income	Operating Expenses (000's)
1996	623	8.5	148	244.2	475
1997	619	-0.6	122	-17.6	497
1998	623	0.6	369	202.5	254
1999	606	-2.7	172	-53.4	434
2000	504	-16.8	90	-47.7	414

Statement of Operations

March 31, 2000

($000's)		[illegible]	1999
Income			
	Licensing Fees	[illegible]	484
	Special Occasion Licenses	[illegible]	76
	Annual License Fees	[illegible]	45
	Other	[illegible]	1
	Total income	[illegible]	606
Operating Expenses			
	Salaries	[illegible]	207
	Honoraria	[illegible]	25
	Travel	[illegible]	78
	Inspections Contracts	[illegible]	40
	Professional fees	[illegible]	-
	Advertising	[illegible]	6
	Office Rent & Supplies	[illegible]	78
	Total Expenditures	414	434
Net Income		90	172

Five Year Performance History

Year	Gross Revenue (000's)	%Change In Revenue	Net Income (000's)	% Change Net Income	Operating Expenses (000's)
1996	623	8.5	148	244.2	475
1997	619	-0.6	122	-17.6	497
1998	623	0.6	369	202.5	254
1999	606	-2.7	172	-53.4	434
2000	504	-16.8	90	-47.7	414

MANDATE

The Liquor Licensing Board of the Northwest Territories makes policy and deals with issues relating to liquor licensing and enforcement. The Board also serves in an administrative tribunal capacity and holds hearings into alleged violations of the Liquor Act and Regulations by the licensees. The Board may hold public hearings when objections from the general public are received concerning a liquor application.

The Minister of Finance appoints the members of the Board to a two-year term.

The legal mandate of the Board is to control the conduct of license holders, the management and equipment of licensed premises, and the conditions under which liquor may be sold or consumed on a licensed premise.

BOARD MEMBERS (as of MARCH 31, 2000)

Chairperson:	Mr. Eric Malmsten	Yellowknife
Members:	Ms. Elizabeth Danielsen	Norman Wells
	Mr. Albert Monchuk	Fort Smith
	Mr. John Simpson	Yellowknife
	Mr. Pete Fraser	Ft. Resolution
	Mr. Alan Davis	Inuvik

The administrative office for the Liquor Licensing Board is located in Hay River. It deals with the day-to-day administrative functions for licensing, enforcement and local community options.

BOARD MEETINGS

During the 1999/ 2000 fiscal year, the Board held ten meetings, four of which were held through teleconferencing. Five meetings were held in Yellowknife, while one was held in Fort Smith. The Board holds their meetings in conjunction with Show Cause hearings whenever possible otherwise the meetings are held through teleconferencing. Unless the Board deems otherwise, all meetings, including disciplinary hearings are open to the public.

LICENSES GRANTED

The Board granted five new licenses during 1999/ 2000; this included four dining rooms and one cocktail lounge license. Three transfers of existing licenses were also approved during this time period.

CLASS OF LICENCES

There are 141 liquor licenses in the Northwest Territories; the classes of licenses in the unrestricted/restricted communities follow. The table also shows the number of liquor inspections carried out in the communities during 1999/ 2000.

Community	Class	Inspections per Community
Fort Providence	2 Cocktail Lounge 2 Dining Room 2 Off Premises	9 Inspector 200 RCMP
Fort Smith	4 Cocktail Lounge 3 Dining Room 2 Club Room 2 Off Premises	112 Inspector 192 RCMP
Hay River	6 Cocktail Lounge 7 Dining Room 4 Club Room 2 Canteens	52 Inspector 650 RCMP
Inuvik	7 Cocktail Lounge 7 Dining Room 2 Club Room 2 Canteens 2 Off Premise	186 Inspector 500 RCMP
Yellowknife	20 Cocktail Lounge 26 Dining Room 4 Club Room 3 Canteens 1 Cultural & Sports 3 Private Recreational Facility 1 Off Premise 2 Ships	694 Inspector 3900 RCMP
Fort Simpson	2 Cocktail Lounge 3 Dining Room 1 Off Premise	38 Inspector 104 RCMP
Norman Wells	3 Cocktail Lounge 3 Dining Room 2 Club Room	43 Inspector 194 RCMP

In addition to the above there are also two aircraft licenses and nine Guest Room/Lodges located in various locations across the Northwest Territories.

INSPECTION OF LICENSED PREMISES

Liquor Inspectors are hired on a contractual basis to do inspections of licensed premises. There are three inspectors in Yellowknife and one inspector in each of the following communities: Fort Simpson, Fort Smith, Inuvik, Norman Wells and Hay River. The inspection program targets high-risk premises (those most likely to offend) with more inspections than those that are considered low-risk (such as dining rooms.) The inspection program strives for voluntary compliance through regular spot checks, training courses and newsletters. A server-training course is offered to licensed premises across the Northwest Territories. During this fiscal year 175 persons attended the course, which is provided to licensees free of charge.

The RCMP conducts a walkthrough program. Police officers inspect licensed premises on a regular basis. Although the RCMP make their presence known in all licensed premises in the NWT, not all of their walkthroughs are reported. Therefore the numbers of inspections listed are much higher than reported.

The licensee may be taken to a Show Cause hearing as a result of infractions reported by either the Liquor Inspector or the RCMP.

SHOW CAUSE HEARINGS/ BOARD DECISIONS

The suspensions and fines may vary according to the specifics of each case.

Hearing No.1.	Establishment:	Richter Club - Yellowknife
	Allegation:	Open after hours, Section 40, Liquor Regulations
	Board Decision:	Fourteen-Day Suspension
Hearing No.2.	Establishment:	Landing Lounge – Fort Smith
	Allegation:	Allowing an intoxicated person to remain on the premises, Section 98(2), Liquor Act
	Board Decision:	Fourteen-Day Suspension, ordered to take Server Training Seminar
Hearing No.3.	Establishment:	Gallery Lounge - Yellowknife
	Allegation:	Overcrowding, Section 41.1, Liquor Regulations
	Board Decision:	Fourteen-Day Suspension
Hearing No.4.	Establishment:	Black Knight Pub - Yellowknife
	Allegation:	Overcrowding, Section 41.1, Liquor Regulations
	Board Decision:	Two-Day Suspension
Hearing No.5.	Establishment:	Pinecrest Off Premise – Fort Smith
	Allegation:	Illegal sale of liquor, Section 84, Liquor Act
	Board Decision:	Forty-Two Day Suspension
Hearing No.6.	Establishment:	Pinecrest Lounge – Fort Smith
	Allegation:	Allowing an intoxicated person to remain on the premises, Section 98(2), Liquor Act
	Board Decision:	Fourteen-Day Suspension
Hearing No.7	Establishment:	YK Pizza & Deli - Yellowknife
	Allegation:	License holder not the true owner of business, Section 24(1)(a), Liquor Act
	Board Decision:	License cancelled

SHOW CAUSE HEARINGS/ BOARD DECISIONS CON'T.

Hearing No.8	Establishment:	Black Knight Pub - Yellowknife
	Allegation:	Illegal sale of liquor, Section 84, Liquor Act
	Board Decision:	Two Day Suspension • Licensee successfully appealed conviction

COMMUNITY STATUS

The liquor status in communities in the NWT are either:

- Unrestricted – there are no restrictions beyond those that are described in the Liquor Act and Regulations.
- Restricted – in quantity, frequency, point of sale, and hours of sale and/or requiring prior approval by the Community Alcohol Education Committee.
- Prohibited – alcohol is prohibited

Unrestricted Communities

Aklavik	Colville Lake	Enterprise
Fort McPherson	Fort Resolution	Fort Smith *
Hay River *	Holman	Inuvik *
Jean Marie River	Paulatuk	Sachs Harbour
Trout Lake	Tuktoyaktuk	Tulita
Wrigley	Yellowknife *	

* These communities have licensed premises and a liquor store/liquor warehouse.

Restricted Communities

Dettah	Deline	Fort Good Hope
Fort Liard	Fort Simpson **	Norman Wells **
Rae/Edzo		

** Fort Simpson and Norman Wells have licensed premises. The restriction applies to the amount of alcohol that an individual can buy per day at the Liquor Store.

Prohibited Communities

Nahanni Butte	Snare Lakes	Tsiigehtchic
Wha Ti	Rae Lakes	Lutsel K'e

SPECIAL OCCASION PERMITS

There are two classes of Special Occasion Permits. A resale permit allows non-commercial organizations, a recognized group (ie. community sports group) and holders of a private recreational facility to take out a liquor permit. A private individual may take out an ordinary permit that allows that person to serve alcohol in public areas. Permits are issued in several communities across the NWT. Privately owned companies and Hamlets provide this service through contract with the Department of Finance. For the fiscal year 1999/00 a total of 576 permits were issued while 851 were issued in 1998/99.

Special Occasion Permits are available from Issuers in the following communities:

Hay River	Liquor Licensing Board Office
Yellowknife	Yellowknife Liquor Store
Fort Simpson	Financial Management Board Office
Fort Smith	Matco Transportation Systems
Inuvik	Inuvik Liquor Store
Norman Wells	Norman Wells Liquor Store
Holman Island	Hamlet Office
Fort Liard	Hamlet Office

Communities that are not prohibited and do not have a local Issuer may apply to the Issuer that is closest to their home community or call the Hay River office for assistance.

COMMUNITY OPTIONS

Where a special occasion is to occur in a municipality, settlement or area and the council of the municipality, settlement or band wishes to have the consumption, possession, purchase, sale, or transport of liquor prohibited, they may request the Minister Responsible for the Liquor Act, to declare the area prohibited. The Minister may declare the area prohibited for a period not exceeding 10 days.

The following communities requested and were granted Special Prohibition Orders during the 1999/00 fiscal year:

Sachs Harbour	White Fox Jamboree	April 30 – May 3, 1999
Jean Marie River	Dene National Assembly	July 02 – 12, 1999
Kakisa	7th Annual Deh Cho Assembly	August 01 – 09, 1999
Deline	Spiritual Gathering	August 13 – 22, 1999
Fort Resolution	Dene Regional Games	August 27 – 29, 1999
Deline	Spiritual Gathering	March 06 – 10, 2000